

From: Will Wang Graylin <wgraylin@roamdata.com>
To: 'John Frontz'
Sent: 4/12/2010 2:19:35 PM
Subject: RE: Agreement with BBPOS

John,

My thinking is we split this up into phases.

- 1) We lock in the exclusivity as we announce the products, people will be trying to find out who makes this for us and get to BBPOS.
- 2) \$50K upfront, I want them to hold off on our other design (which was about \$60K in NRE)
- 3) The \$250K we do not need to put up right away, we may put down a portion to get the prototype ready for Apple and Casino (same work), but I ask Christophe to get his budget approval here. If they pay for NRE, they will want to have their name on it, which is fine. We'll make a margin and give them rights to sell it. The timing of this is to get both Christophe and Casino to pay for it. Even if they don't get the cash short term, I can stretch the timeline for the payment to pay BBPOS, I can get a prototype to show Apple in 4 to 6 weeks likely from these guys.
- 4) The 100K stock will need to get approval from Vince on Friday.
- 5) The \$25K per month development resources, we are down Ernest and Holly which is \$20K per month, plus we were going to hire a couple more engineers at about \$8K to \$10K net cost to us per person per month. This would be out of our budget for development to get 5 people from HK. I would put them on development projects including getting the foundation for internationalization done.
- 6) So over all cash flow hit will be really mitigated on this front.

The only other investment I want to make next is on the Commerce Window side which I would like to talk to you more about Ken and Kent and development resource for that project. I have some ideas there.

Talk soon,

Will

From: John Frontz [mailto:jfrontz@roamdata.com]
Sent: Monday, April 12, 2010 9:23 AM
To: Will Wang Graylin
Subject: Re: Agreement with BBPOS
Importance: High

Hi Will,

I think it's good that we get this agreement ready, but are you thinking that we will fund this in advance of Casino funding and our \$750K or will we wait and get that funded first? If so, this accelerates our negative cash flow impacts rather dramatically. This looks like \$50K plus stock, plus \$25K a month for some undefined period plus \$250K - I guess I don't follow the comment about signing in the next few days?? Plus we share profits - why would we share anything if we are paying fully to develop this solution?

It's your call, but I'm sure we need to get this approved by the BoD as I believe it triggers one of the minority rights re: commitments from the Investor rights agreement and we would need to get the additional Non-Qual shares approved??

John

On 4/12/10 3:09 AM, "Will Wang Graylin" <wgraylin@roamdata.com> wrote:

Hi Bill,

We would like your help on a legal agreement with BBPOS limited to get exclusive rights to use and sell the Encrypted Circle Swipe reader they developed, as well as the "ROAMpos EMV terminal" that they have developed, and will build a custom version for us. The exclusivity carves out the territory of China for now.

The terms of the agreement is outlined in the 11 points in the document here. Can you please take a look at this and turn this into a real agreement that we can sign. We are also looking to contract development work from there on the software side and use them as an outsource development team for ROAM. So you'll see these clauses.

I would like to have something in shape to sign in the next few days if possible.

Thank you,

Will

Will Wang Graylin

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